

CHIEF, FISCAL DIVISION, BUDGET & FINANCE BRANCH

CHIEF, [REDACTED]

Transfer from [REDACTED]  
[REDACTED] Employees

Document No.	204
No Change in Class.	<input checked="" type="checkbox"/>
<input type="checkbox"/> Declassified	
Class. Changed to:	26 December 1947
Next Review Date:	
Auth:	HR 70-3
Date:	100779
By:	410756

REFERENCE: Attached Memorandum dated 2 December 1947 to Chief, [REDACTED] from Chief, Fiscal Division, Subject: Same as above.

1. The Chief, [REDACTED] visited the [REDACTED] during the period 9 - 18 December 1947. The Chief of the [REDACTED] and each of the employees named in the above reference were interviewed concerning the subject in question. To the best knowledge and belief of the Chief, [REDACTED] the following are the facts in this case:

a. Prior to issue of travel orders, which allowed per diem, to the employees concerned, it had been determined that the new [REDACTED]

b. Due to the fact that security checks were incomplete and no employee disapproved for security was to be transferred to [REDACTED] together with the fact that [REDACTED] employees located in [REDACTED] had not decided whether or not they desired to transfer to [REDACTED] should the opportunity be afforded them, it was not known that [REDACTED] was to become the permanent station of the employees in question.

c. It was originally thought that the [REDACTED] station would become operative about 1 August 1947. It was planned by the Chief, [REDACTED] then [REDACTED], that these employees would return to [REDACTED] prior to 30 June 1947 to assist with the dismantling and movement of the [REDACTED] station, at which time a definite decision would be made as to whether or not the employees would be transferred officially to [REDACTED]. It was with this understanding that these employees agreed to go to [REDACTED] on temporary duty.

d. Unforeseen delays in the construction of the [REDACTED] station indicate that it will not become operative before 1 March 1948. It became evident in June that these employees could not complete the work they were expected to do and return to [REDACTED] prior to expiration of their travel orders on 30 June 1947. In the interest of economy, it was decided to activate the station at [REDACTED] officially on 1 July 1947 and to transfer these employees to it as of that date without returning them to [REDACTED] to which plan they all agreed assuming that there was no question of payment of per diem or expenses of movement of household effects incident to the transfer.

e. Although [REDACTED] discussed informally, via teletype, with [REDACTED] Chief of the [REDACTED] the movement of household goods and [REDACTED] saw no objection to it.

FOIAb3b1

the movement of these household goods was made without official permission or knowledge of the [redacted] Washington office. This actually entailed greater risk than it is believed any of the employees realized, since, had they not been approved for security or if for any other reason it had been decided that their services at [redacted] were not desired, they would have definitely been returned to [redacted] and their employment terminated when that station closed.

25X1A6a

25X1A6a

25X1A6a

- f. The employees concerned were ignorant of any existing laws which might cause their payment of per diem as authorized in their travel orders to be questioned. They were also ignorant of any existing laws that might cause their reimbursement for expenses for movement of household goods incident to transfer of official headquarters to be questioned even though the movement of household goods preceded the receipt of official change of station orders.

- g. During the period preceding the official change of station on July 1, 1947, these employees were subjected to considerable expense directly connected with their temporary duty status in excess of their normal expenses in [redacted] and, as a matter of fact, some of them even at this late date are paying storage charges on household goods and exorbitant fees for rent, etc., due to their inability to establish satisfactory living conditions.

25X1A6a

2. After careful consideration of the facts stated in paragraph 1 above, it is concluded that:

- a. The employees concerned acted in good faith and at no time nor in any way did they intend to profit unduly or to circumvent existing laws.
- b. It is extremely doubtful that any of the employees would have been willing to proceed to [redacted] at the time in question on other than a per diem status.
- c. None of the employees concerned would have moved their household goods prior to receipt of official change of station orders had they even suspected that expenses incident thereto or their per diem payment might as a result be questioned.
- d. Prior to July 1, 1947, the employees concerned actually incurred additional expenses in connection with their temporary duty sufficient to warrant authorization of the per diem allowance.
- e. Failure to pay the employees for this per diem allowance for the period prior to official transfer or failure to reimburse the employees for expenses incurred in connection with movement of their household goods would be a serious injustice to the employees concerned, and is not in the best interest of the Central Intelligence Agency or the United States Government service.

25X1A6a

Chief, Fiscal Division

- 3 -

20 December 1947

3. It is recommended that the vouchers attached to reference memorandum be paid as submitted.

25X1A9a  
FOIAb3b1

Chief, [REDACTED]

LAM:edr